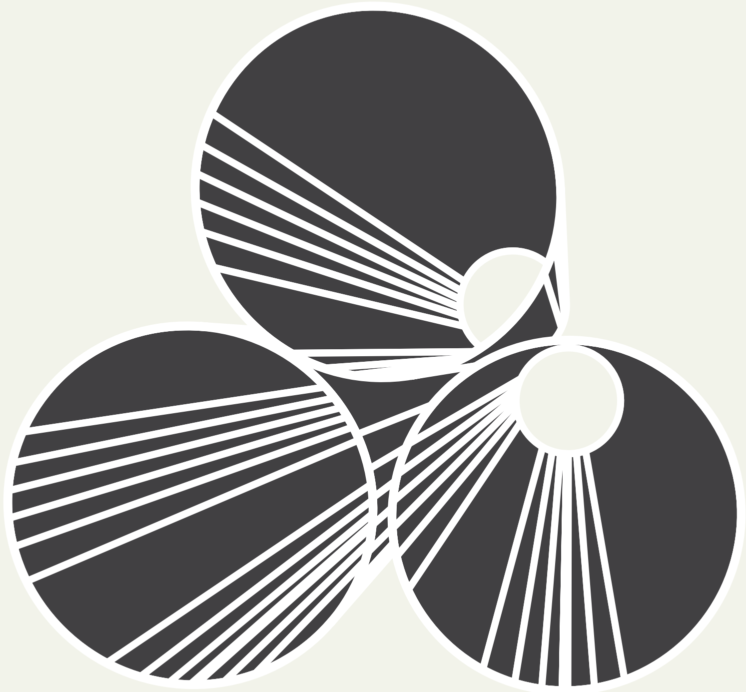
NEW

HOUSING PIPELINE



Q4 2020 REPORT

Published July 2021

Glenigan

Analysis of market conditions and prospects prepared by Glenigan.

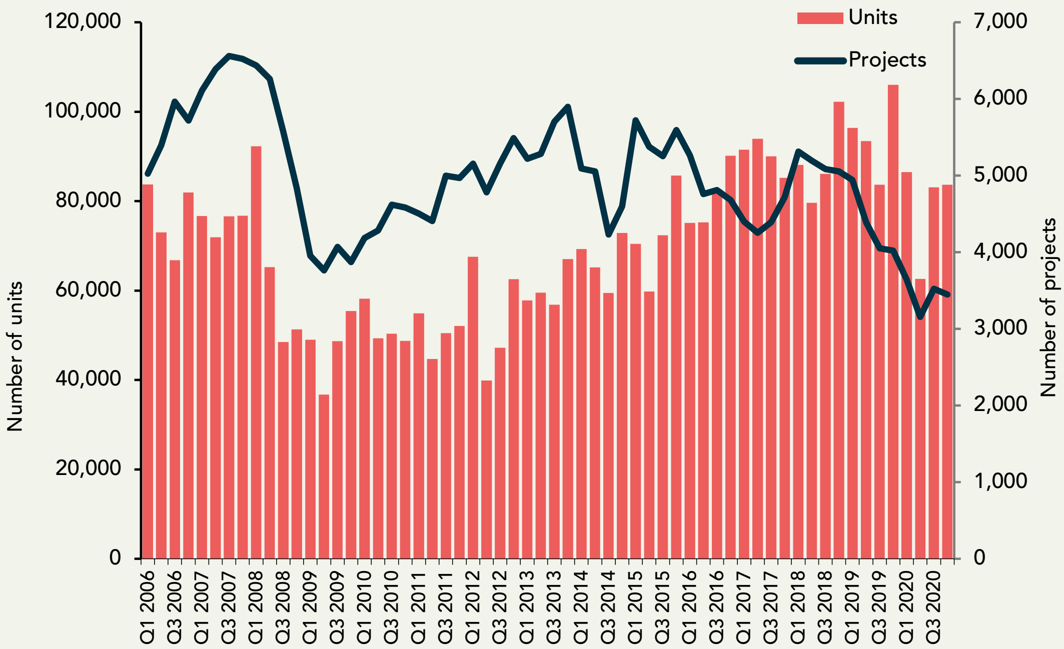
HBF HOME BUILDERS FEDERATION

NEW HOUSING PIPELINE

The pandemic has prompted a significant number of developers to seek planning amendments in order to allow their effective operations, these include changes such as extended site operating times. As the objective is the housing pipeline is to provide an assessment of the number of projects securing detailed planning consent and progressing towards work starting on site, Glenigan has revised the coverage of the pipeline to exclude these and other planning amendments.

The number of units approved stabilised during the fourth quarter, being 1% up on the previous three months but 21% down on pre-pandemic levels seen in the fourth quarter of 2019. The steading in approvals during the fourth quarter was underpinned by a stabilising in private sector approvals and an improvement in social sector approvals.

Chart 1: Residential planning approvals (Great Britain)



N.B. Includes residential projects of all sizes, residential units on non-residential schemes and conversions. Source: Glenigan

Glenigan recorded the approval of 83,641 residential units during the fourth quarter of 2020. At 72,933 units, housing schemes of ten or more units accounted for 87% of approved units; the remainder being on smaller new build projects including self-build schemes, homes included within non-residential projects, and the conversion of non-residential properties.

At 2,092, the number of private sector housing projects (schemes of 3 or more units) securing approval during the fourth quarter rose 1% against July to September June but was 16% lower than during the corresponding period last year.

The number of units were granted planning permission on private sector projects slipped 2% sharply during the fourth quarter, after the sharp rebound seen during the previous three months. At 67,988 the number of units was 20% below the pre-pandemic levels of a year ago.

At 161, the number of social housing projects (of three or more units) dropped by 35% against the previous quarter and was 11% lower than a year ago. In contrast, at 13,739, the number of units was 17% down on the previous three months but 53% up on a weak performance a year ago

1. The range of projects covered by this report has been extended and now includes new build housing projects of all sizes, including schemes of less than 10 units, the conversion of non-residential buildings and residential units on mixed use developments.

Chart 2: Residential planning approvals by region (No. of units)

Southern England and the West Midlands saw the greatest improvement in the number of unit approvals during the fourth quarter. The number of units approved in London and the South West grew by 29% and

Table 1: Number of residential units approved

	North of England	Midlands	Southern England	England - All	Wales	Scotland	Great Britain
2015	66,842	48,792	145,144	260,778	8,270	19,300	288,348
2016	83,034	44,464	165,629	293,127	9,020	20,914	323,061
2017	87,465	60,552	174,630	322,647	9,528	28,480	360,655
2018	75,001	58,393	183,790	317,184	10,386	28,428	355,998
2019	74,748	70,313	180,524	325,585	11,848	42,071	379,504
2020	70,896	56,053	150,377	277,326	6,810	31,706	315,842
	Change on a year earlier						
2015	15%	16%	4%	9%	-15%	8%	8%
2016	24%	-9%	14%	12%	9%	8%	12%
2017	5%	36%	5%	10%	6%	36%	12%
2018	-14%	-4%	5%	-2%	9%	0%	-1%
2019	0%	20%	-2%	3%	14%	48%	7%
2020	-5%	-20%	-17%	-15%	-43%	-25%	-17%

N.B. Residential projects of all sizes and residential units on non-residential projects and conversions.

22% respectively against the preceding quarter. Unit approvals in the West Midlands rose by 35% although they were still a third lower than a year ago. Approvals in Scotland rose 14% but were 37% lower than a year ago. Unit approvals slipped back across the north of England after a sharp rebound in approvals during the third quarter. Unit approvals in the North east, North West, and Yorkshire & the Humber declined by 15%, 23% and 11% respectively against the preceding three months. Similarly, unit approvals in both the East Midlands and Wales were 25% lower.

HOUSING APPROVALS

The tables provide a regional breakdown of new building planning approvals since 2011

Table 2: Number of housing units securing detailed planning approval by region & country

	North of England			Midlands		
	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England
Q1 2012	2,381	4,881	5,227	3,223	4,674	3,937
Q2 2012	1,780	4,081	2,977	2,968	2,967	3,361
Q3 2012	2,703	7,080	3,270	1,883	2,805	3,559
Q4 2012	2,338	7,092	5,137	3,212	4,637	5,221
Q1 2013	3,037	5,884	5,377	5,155	4,672	5,398
Q2 2013	2,198	6,781	5,389	6,304	4,693	4,436
Q3 2013	2,297	6,721	3,414	3,942	5,413	6,230
Q4 2013	2,437	6,361	3,604	6,452	4,486	6,484
Q1 2014	3,107	7,899	3,903	6,305	4,674	4,703
Q2 2014	1,080	6,329	4,340	4,266	4,173	5,003
Q3 2014	2,124	7,215	4,382	4,761	6,435	4,597
Q4 2014	3,851	9,479	4,532	5,582	5,924	5,249
Q1 2015	1,943	7,593	6,390	4,537	4,522	7,257
Q2 2015	2,944	6,353	5,630	4,404	5,787	5,596
Q3 2015	2,511	10,459	4,556	4,598	6,372	9,519
Q4 2015	2,751	10,651	5,061	8,808	9,764	6,198
Q1 2016	1,842	11,298	3,953	7,244	5,570	5,789
Q2 2016	5,763	9,056	4,575	3,781	7,608	7,730
Q3 2016	2,356	14,202	6,168	4,918	4,363	8,128
Q4 2016	4,665	11,670	7,486	4,483	6,497	9,934
Q1 2017	2,921	12,909	6,193	10,026	8,297	9,699
Q2 2017	4,468	11,772	5,605	7,489	9,145	8,122
Q3 2017	3,858	10,687	7,572	7,313	5,283	10,428
Q4 2017	2,384	10,234	8,862	6,611	6,388	8,515
Q1 2018	3,116	9,857	6,304	6,872	7,415	7,446
Q2 2018	2,267	7,984	6,527	6,608	6,123	6,815
Q3 2018	2,445	9,850	6,926	6,776	7,676	9,574
Q4 2018	3,141	9,923	6,661	7,892	9,031	10,160
Q1 2019	1,892	9,239	6,705	7,645	9,444	12,377
Q2 2019	3,799	7,821	7,340	10,916	8,300	8,322
Q3 2019	1,706	7,319	5,335	7,661	6,402	9,194
Q4 2019	5,045	10,527	8,020	7,015	12,930	10,564
Q1 2020	1,338	10,324	6,346	7,021	6,391	9,156
Q2 2020	1,440	5,404	3,575	6,804	5,967	6,467
Q3 2020	3,411	12,879	7,034	8,471	6,401	9,136
Q4 2020	2,903	9,968	6,274	6,366	8,632	8,531

*Moving Annual Total for England

IMPORTANT NOTE:

As a result of changes made by Glenigan to how they collect data on the number of permissions granted, there are some significant changes to the number of permissions reported in the Housing Pipeline reports from Q4 2020 onwards for quarters prior to that date, and to information in previous Housing Pipeline reports.

The procedural changes mean that the data collection is now more extensive and accurate than it was previously and so the numbers reported in the reports from Q4 2020, are a better reflection of the actual number of permissions being granted. The revised methodology has been agreed with the Department of Housing, Communities and Local Government, who Glenigan also provide planning permission data for and so this data set will match the official Government numbers. In its *Taking stock: The geography of housing need, permissions and completions report published in May 2021,* Lichfields considered in detail why planning permission data reported prior to Q4 2020 was not wholly accurate (and included, for example re-submitted applications) and so not a fair reflection of the number of actual plots given a permission.

Southern England

London	South East	South West	England	Wales	Scotland	Great Britain	*MAT England
24,652	6,888	5,696	61,559	1,769	4,241	67,569	**190,763**
4,660	7,212	5,036	35,042	1,747	3,055	39,844	**187,176**
8,667	7,849	5,534	43,350	1,225	2,606	47,181	**186,244**
11,676	10,511	5,525	55,349	1,716	5,447	62,512	**195,300**
10,818	5,197	5,916	51,454	2,540	3,791	57,785	**185,195**
8,921	8,275	6,692	53,689	1,698	4,115	59,502	**203,842**
10,479	7,574	5,229	51,299	1,722	3,808	56,829	**211,791**
14,919	9,122	7,181	61,046	1,861	4,138	67,045	**217,488**
10,941	13,445	6,119	61,096	3,000	5,212	69,308	**227,130**
15,633	10,423	7,432	58,679	2,053	4,429	65,161	**232,120**
9,937	9,083	4,649	53,183	2,517	3,746	59,446	**234,004**
15,530	9,976	6,229	66,352	2,120	4,425	72,897	**239,310**
15,966	8,273	7,191	63,672	1,722	5,041	70,435	**241,886**
8,406	8,744	5,996	53,860	2,590	3,363	59,813	**237,067**
13,001	8,213	6,654	65,883	1,448	5,065	72,396	**249,767**
15,948	12,796	5,386	77,363	2,510	5,831	85,704	**260,778**
12,552	11,210	7,690	67,148	2,275	5,682	75,105	**264,254**
11,058	9,423	9,264	68,258	1,599	5,371	75,228	**278,652**
17,971	11,189	6,947	76,242	1,911	4,404	82,557	**289,011**
12,343	17,000	7,401	81,479	3,235	5,457	90,171	**293,127**
12,953	12,896	7,316	83,210	2,326	5,944	91,480	**309,189**
15,649	11,515	7,995	81,760	2,343	9,826	93,929	**322,691**
12,928	14,738	8,255	81,062	2,482	6,508	90,052	**327,511**
9,934	15,383	8,304	76,615	2,377	6,202	85,194	**322,647**
12,538	15,734	7,512	76,794	2,486	8,793	88,073	**316,231**
12,852	12,554	8,941	70,671	2,435	6,492	79,598	**305,142**
13,679	12,864	7,508	77,298	2,434	6,375	86,107	**301,378**
18,758	17,655	9,200	92,421	3,031	6,768	102,220	**317,184**
17,335	14,381	7,737	86,755	2,953	6,657	96,365	**327,145**
11,460	12,146	8,907	79,011	2,482	11,955	93,448	**335,485**
11,073	13,174	7,929	69,793	4,105	9,794	83,692	**327,980**
13,988	15,117	6,820	90,026	2,308	13,665	105,999	**325,585**
16,922	9,265	9,162	75,925	2,884	7,693	86,502	**314,755**
11,602	7,721	4,387	53,367	1,326	7,901	62,594	**289,111**
10,042	11,101	5,613	74,088	1,488	7,529	83,105	**293,406**
12,999	11,408	6,865	73,946	1,112	8,583	83,641	**277,326**

Table 3: Number of housing projects securing detailed planning approval by region & country

	North of England			Midlands		
	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England
Q1 2012	101	410	358	341	349	563
Q2 2012	172	378	337	338	341	622
Q3 2012	134	418	382	337	387	676
Q4 2012	116	434	363	371	429	669
Q1 2013	155	462	361	366	420	644
Q2 2013	130	489	364	390	431	719
Q3 2013	123	501	364	422	428	743
Q4 2013	152	486	418	443	451	785
Q1 2014	132	424	368	376	390	627
Q2 2014	101	447	363	374	350	661
Q3 2014	94	362	299	317	358	584
Q4 2014	116	395	308	358	371	605
Q1 2015	145	422	431	403	421	783
Q2 2015	128	444	355	386	396	713
Q3 2015	117	451	350	407	379	697
Q4 2015	128	502	365	430	495	695
Q1 2016	133	437	334	384	413	703
Q2 2016	119	388	314	353	430	674
Q3 2016	130	432	299	349	372	694
Q4 2016	114	379	329	286	373	645
Q1 2017	103	383	293	361	345	616
Q2 2017	109	315	306	337	323	611
Q3 2017	132	371	267	310	290	662
Q4 2017	96	347	348	374	377	750
Q1 2018	119	430	398	455	422	850
Q2 2018	123	388	378	492	415	805
Q3 2018	97	391	356	476	386	739
Q4 2018	100	410	367	472	397	709
Q1 2019	83	385	361	475	411	704
Q2 2019	76	323	348	418	350	683
Q3 2019	81	299	274	377	317	574
Q4 2019	110	294	262	322	302	606
Q1 2020	81	305	257	303	260	528
Q2 2020	51	214	199	250	249	483
Q3 2020	80	304	232	257	269	503
Q4 2020	73	282	246	279	272	498

*Moving Annual Total for England

Southern England

London	South East	South West	England	Wales	Scotland	Great Britain	*MAT England
846	927	655	4,550	236	371	5,157	**17,155**
478	959	607	4,232	195	356	4,783	**17,543**
590	974	678	4,576	232	349	5,157	**17,758**
683	1,059	750	4,874	242	375	5,491	**18,232**
625	957	646	4,636	230	353	5,219	**18,318**
642	967	617	4,749	218	318	5,285	**18,835**
706	1,097	689	5,073	256	373	5,702	**19,332**
692	1,090	751	5,268	278	352	5,898	**19,726**
640	910	656	4,523	218	353	5,094	**19,613**
585	928	681	4,490	228	336	5,054	**19,354**
479	790	463	3,746	180	305	4,231	**18,027**
529	830	548	4,060	196	341	4,597	**16,819**
693	1,051	798	5,147	234	340	5,721	**17,443**
653	1,032	705	4,812	220	344	5,376	**17,765**
638	975	664	4,678	224	351	5,253	**18,697**
688	1,019	655	4,977	251	365	5,593	**19,614**
635	1,047	614	4,700	224	340	5,264	**19,167**
550	890	570	4,288	193	278	4,759	**18,643**
574	906	570	4,326	192	293	4,811	**18,291**
595	917	541	4,179	186	315	4,680	**17,493**
482	843	522	3,948	144	307	4,399	**16,741**
500	815	491	3,807	141	304	4,252	**16,260**
464	940	500	3,936	143	311	4,390	**15,870**
433	954	594	4,273	165	278	4,716	**15,964**
479	953	688	4,794	214	305	5,313	**16,810**
493	925	701	4,720	168	305	5,193	**17,723**
498	904	729	4,576	200	308	5,084	**18,363**
420	934	747	4,556	206	291	5,053	**18,646**
482	883	626	4,410	234	299	4,943	**18,262**
364	754	584	3,900	178	311	4,389	**17,442**
452	754	488	3,616	158	277	4,051	**16,482**
422	810	431	3,559	145	316	4,020	**15,485**
383	657	445	3,219	156	267	3,642	**14,294**
366	618	387	2,817	95	243	3,155	**13,211**
382	695	421	3,143	113	267	3,523	**12,738**
345	626	431	3,052	118	279	3,449	**12,231**

Table 4: England – No. of housing UNITS by project size

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
Q1 2012	51,923	6,439	2,869	328	61,559
Q2 2012	26,623	5,080	3,136	203	35,042
Q3 2012	34,307	5,721	3,244	78	43,350
Q4 2012	45,432	6,274	3,371	272	55,349
Q1 2013	42,170	6,426	2,758	100	51,454
Q2 2013	44,416	6,230	2,918	125	53,689
Q3 2013	41,060	7,005	3,050	184	51,299
Q4 2013	50,558	7,320	3,092	77	61,047
Q1 2014	51,700	6,822	2,498	76	61,096
Q2 2014	49,522	6,427	2,670	62	58,681
Q3 2014	44,781	6,586	1,772	44	53,183
Q4 2014	56,200	5,515	1,946	176	63,837
Q1 2015	51,858	6,212	2,809	578	61,457
Q2 2015	42,439	5,791	2,618	409	51,257
Q3 2015	54,782	5,706	2,489	203	63,180
Q4 2015	64,282	5,871	2,549	1,844	74,546
Q1 2016	58,009	5,493	2,193	-1,822	63,873
Q2 2016	68,786	5,486	1,863	-12,646	63,489
Q3 2016	63,330	5,995	1,929	-344	70,910
Q4 2016	73,351	5,921	1,831	-3,971	77,132
Q1 2017	68,523	6,418	1,791	36	76,768
Q2 2017	69,048	6,032	1,812	222	77,114
Q3 2017	67,301	6,175	1,840	1,149	76,465
Q4 2017	64,142	6,030	2,321	223	72,716
Q1 2018	62,978	5,699	2,926	587	72,190
Q2 2018	57,871	5,761	3,015	84	66,731
Q3 2018	64,408	5,610	2,867	515	73,400
Q4 2018	79,532	5,442	2,802	485	88,261
Q1 2019	74,747	5,306	2,686	-	82,739
Q2 2019	67,757	5,011	2,204	233	75,205
Q3 2019	57,013	5,338	1,878	615	64,844
Q4 2019	78,245	5,993	1,373	11	85,622
Q1 2020	65,883	5,102	1,461	5	72,451
Q2 2020	44,700	4,225	1,360	359	50,644
Q3 2020	64,355	4,585	1,447	506	70,893
Q4 2020	64,178	4,809	1,195	7	70,189

*These are housing units or projects that are not primarily for housing but do supply secondary housing space e.g on commercial developments.

Table 5: England – No. of housing PROJECTS by project size

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
Q1 2012	778	1,310	2,442	20	4,550
Q2 2012	500	1,068	2,648	16	4,232
Q3 2012	551	1,201	2,802	22	4,576
Q4 2012	695	1,318	2,840	21	4,874
Q1 2013	827	1,354	2,438	17	4,636
Q2 2013	772	1,356	2,598	23	4,749
Q3 2013	789	1,564	2,696	24	5,073
Q4 2013	857	1,592	2,804	16	5,269
Q1 2014	745	1,513	2,243	22	4,523
Q2 2014	697	1,445	2,332	18	4,492
Q3 2014	697	1,502	1,519	28	3,746
Q4 2014	777	1,248	1,609	426	4,060
Q1 2015	803	1,463	2,456	425	5,147
Q2 2015	645	1,390	2,310	467	4,812
Q3 2015	650	1,365	2,184	479	4,678
Q4 2015	799	1,434	2,247	497	4,977
Q1 2016	782	1,339	1,917	662	4,700
Q2 2016	825	1,343	1,585	535	4,288
Q3 2016	827	1,503	1,632	364	4,326
Q4 2016	947	1,458	1,527	247	4,179
Q1 2017	941	1,499	1,496	12	3,948
Q2 2017	856	1,441	1,505	5	3,807
Q3 2017	845	1,519	1,555	17	3,936
Q4 2017	821	1,476	1,964	12	4,273
Q1 2018	878	1,404	2,497	15	4,794
Q2 2018	776	1,394	2,539	11	4,720
Q3 2018	753	1,385	2,428	10	4,576
Q4 2018	857	1,334	2,355	10	4,556
Q1 2019	869	1,262	2,279	-	4,410
Q2 2019	746	1,264	1,880	10	3,900
Q3 2019	695	1,305	1,609	7	3,616
Q4 2019	784	1,595	1,175	5	3,559
Q1 2020	713	1,246	1,257	3	3,219
Q2 2020	548	1,079	1,185	5	2,817
Q3 2020	685	1,180	1,271	7	3,143
Q4 2020	714	1,309	1,027	2	3,052

*These are housing units or projects that are not primarily for housing but do supply secondary housing space e.g on commercial developments.

NOTES

This report is based upon an analysis of housing projects being tracked by Glenigan and held on its database of construction projects. We have now extended the range of projects covered by this report in order to provide a more complete assessment of the residential development pipeline.

The following restrictions and filters apply to the analysis:

1. New build projects of all sizes are covered by the report (Coverage was previously restricted to approvals for 10 or more units.)
2. Housing schemes are included where the development is primarily identified as being: apartments/ flats, bungalows, houses/ luxury housing or sheltered housing, key worker accommodation or sheltered housing.
3. Conversions of non-residential properties for housing are included.
4. Private and social housing data includes schemes of 3 or more units.
5. Total residential approvals include 1 & 2 unit schemes together with residential units on mixed used developments.
6. Elderly people's homes, hostels and student accommodation have been excluded from the analysis.
7. Approvals are recorded at the detailed planning stage. Where a project has secured outline planning approval and the detailed consent is being resolved through the approval of reserve matters the date of 'detailed consent' is deemed to be that of the approval of reserve matters. In the case of some projects, the reserve matters are approved piecemeal; in these circumstances the earliest approval date has been used in order to avoid double counting.
8. The late publication of planning approval decisions by local authorities may lead to the revision of planning approval data for the latest 12 months.

ABOUT HBF

The Home Builders Federation (HBF) is the representative body of the home building industry in England and Wales. HBF's members' accounts for 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multi-national, household names through regionally based businesses to small local companies.

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ABOUT GLENIGAN

Glenigan is the trusted provider of project information, analysis and sales leads for the construction industry. Its comprehensive company intelligence has been helping contractors, sub-contractors and suppliers build new working relationships for more than 40 years.

With exclusive content from leading industry bodies including The Builders' Conference, Glenigan offers the widest coverage of UK tenders and construction contracts. These construction project leads are unique to Glenigan and unavailable anywhere else.

The housing approvals data analysed in this report is drawn from Glenigan's extensive database of current and planned construction projects. Glenigan's detailed coverage of planned housing projects across the UK offers valuable strategic and tactical insights into developers' active sights and pipeline, with sites tracked through to completion.

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